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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re Lehman Brothers Holdings Inc.,

Debtor.

Chapter 11 Case No.

08-13555 (JMP)

**STATEMENT IN RESPONSE TO INSURED PERSONS' MOTION,
PURSUANT TO SECTION 362 OF THE BANKRUPTCY CODE, FOR AN ORDER
MODIFYING THE AUTOMATIC STAY TO ALLOW SETTLEMENT PAYMENT
UNDER DIRECTORS AND OFFICERS INSURANCE POLICY
TO SETTLE THE EQUITY/DEBT CLASS ACTION**

TO THE HONORABLE JAMES M. PECK
UNITED STATES BANKRUPTCY JUDGE:

Monique M. Fang, Alex E. Rinehart, Jo Anne Buzzo, Maria DeSousa and Linda Demizio (“ERISA Class Action Creditors”), are creditors of Lehman Brothers Holdings, Inc. (“Lehman” or the “Company”) with respect to the Lehman Brothers Savings Plan (the “Plan”) and their investments in Lehman common stock which they held in the Plan at various times since September 13, 2006.¹ The Company was one of the fiduciaries of the Plan and violated its

¹ See ERISA Class Action Creditors’ proof of claim No. 12803.

fiduciary duties to the Plan, and to the participants and beneficiaries of the Plan, by offering Lehman stock as an investment option under the Plan when it was not prudent to do so and failing to disclose Lehman's true financial and operating condition to the participants in and beneficiaries of the Plan.²

The ERISA Class Action Creditors claim an interest in the proceeds of the Excess Insurance Policies³ and reserve all of their rights, to the extent not already reserved, with respect to: (i) the Settlement Amount; (ii) the Excess Insurance Policies; and (iii) any terms of the agreement to settle the action captioned *In re Lehman Brothers Equity/Debt Securities Litigation*, 08 Civ. 5523 (S.D.N.Y.) (LAK), including, but not limited to, the settlement class definition to be presented to Judge Kaplan at a later date as set forth in ¶ 22(iv) of the Insured Persons' motion.

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² The facts pertaining to the ERISA Class Action Creditors' claims are set forth in a Consolidated Amended Complaint for Violations of the Employee Retirement Income Security Act (the "Amended Complaint"), in the case captioned *In re Lehman Brothers ERISA Litig.*, No. 08 Civ. 5598 (S.D.N.Y.) (LAK), filed on October 27, 2008, pending before the Honorable Lewis A. Kaplan.

³ Capitalized terms not defined herein are defined in the *Insured Persons Motion, Pursuant to Section 362 of the Bankruptcy Code, for an Order Modifying the Automatic Stay to Allow Settlement Payment Under Directors and Officers Insurance Policy to Settle the Equity/Debt Class Action* at DKT No. 19488.

Dated: New York, New York
September 7, 2011

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